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ROU: This forwards the wave 2 reset schedule for the K-Mart stores within your respective regions. Please insure that the attached information is forwarded to the appropriate sales personnel along with the new K-Mart carton and package plan-o-grams which were mailed to you with the original K-Mart reset information during early February, 1995.

SUBJECT: K-MART RESETS - WAVE 2 SCHEDULE
CID 0002-00-00

Although we have tried to cover all of the bases regarding this program, several issues have arisen during phase one which, once again, must be reiterated. They are as follows.

1. The 4' section which is to be utilized for packs, might be positioned anywhere within the flex run. Obviously, we would prefer this 4' section to be on the end of the fixture, however, if it isn't, simply remove the shelves and that will be the positioning for the package fixture. If this is the case, I would choose a 4' section which could act as a divider between the Full Price and Savings cartons.
2. If there isn't a 4' section within the current flex configuration, then do not reset the fixture at this time. We will make a decision and handle in the future.
3. If the current flex unit is less than 12' in total length then do not reset the fixture at this time. We will make a decision and handle in the future.
4. Slate Retail Systems is currently not placing back panels on the springfed package fixtures. If you have a K-Mart store where this fixture backs up to a front window, you may need to purchase a back panel substitute locally and have it installed. Slate will not be addressing this issue.

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"We work for smokers."

FIELD SALES ACTION REQUIRED

Slate Retail Systems has been contracted to handle the majority of installations, however, **field sales will be involved to the extent outlined below:**

- Slate will begin installations on January 30, 1995. Attached is the schedule for the first two weeks of the project. The remainder of the schedule will be forthcoming.
- Prior to the installation scheduled date, Sales representative and part-timers will:
 - Remove all cartons from one 4' section. (As a rule, the 4' section closest to the PM package merchandiser)
 - Remove all shelves from that section .
 - Remove security door (if installed) on that 4' section and dispose.
 - Remerchandise cartons horizontally in the remaining sections of Flex per the attached plan-o-gram.
 - In those stores not scheduled to receive a dual PFD, remerchandise the existing PFD to include Best Value packs and cartons along with RJR full price and savings brands. Remember, in all cases the PFD is an exclusive RJR merchandiser. The "Lane Blocker" will no longer be used for Best Value.
 - Excess full cartons should be returned to the KTD (605'd) and excess packs (if any) should be worked into fixtures as product sells down.
 - If your Kmart does not have a 4' section in the flex setup, DO NOT remove any other shelves. This scenario will require alternative action by the installer.
- KTD will advise competitive sales representatives of this changeover.
- Slate Retail Systems, Inc. will perform the following:
 - Deliver and install package fixture inserts into the empty 4' section.
 - Tag and load per the attached plan-o-gram.
 - Place the Philip Morris fixture in the back room.
 - In designated stores, deliver, install, tag and load a new dual PFD which will accommodate RJR's full price brands on one side and Savings/Best Value on the other (see attached diagram).

For SIS information please refer to FSC-442-A 10/22/94.

Questions regarding this project should be addressed to Chain Account Manager Dennis Bellinger (810-642-2378) or Bill Ragsdale at Slate Retail Systems (800-457-5283).

Thank you for your follow-through and support in this important merchandising project.

R.J. REYNOLDS TOBACCO COMPANY

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Once again, I hope we have answered all of your questions relative to this reset program. If not, please feel free to contact either myself or Maureen at (810) 642-2378. Thank you for your help in this matter.

Sincerely

Dennis

Dennis R. Bellinger

DRB/sab

cc: John Drew
Rich Pettorini

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K Mart Schedule by RJR Region

RJR REGION - NEW YORK METRO 1200					
	RJR Rep	Slate	KMart		
RJR	to contact	to contact	Store #	City	RJR Rep will replanogram
Div. #	store W/O	store W/O			PFD Carton
1226	3-Apr	10-Apr	3202	Westwood, NJ.	x
1226	10-Apr	17-Apr	3524	Closter, NJ.	x x
1226	10-Apr	17-Apr	3414	Lodi, NJ.	x x
1226	10-Apr	17-Apr	3523	Paramus, NJ.	x x
1226	10-Apr	17-Apr	3056	Wayne, NJ.	x x
1226	10-Apr	17-Apr	3432	Parsippany, NJ.	x x
1226	10-Apr	17-Apr	7575	North Bergen, NJ.	x x
1230	10-Apr	17-Apr	3459	Jersey City, NJ.	x x
1230	10-Apr	17-Apr	7177	Belleville, NJ.	x x
1230	10-Apr	17-Apr	3499	Kearny, NJ.	x
1230	10-Apr	17-Apr	3558	North Plainfield, NJ.	x
1230	10-Apr	17-Apr	3399	South Plainfield, NJ.	x
1230	10-Apr	17-Apr	7235	Somerset, NJ.	x
1226	17-Apr	24-Apr	4397	Dover, NJ.	x
1226	17-Apr	24-Apr	7097	Hackettstown, NJ.	x x
1226	17-Apr	24-Apr	3787	Phillipsburg, NJ.	x x
1230	17-Apr	24-Apr	3339	East Brunswick, NJ.	x x
1230	24-Apr	1-May	3438	Avenel, NJ.	x
1225	1-May	8-May	4248	Staten Island, NY.	x
1226	1-May	8-May	3522	Elmwood Park, NJ.	x

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